GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:488
ANSWERED ON:22.12.2000
FOREIGN INVESTMENT ON LONG TERM COMMITMENT BASIS
ASHOK KUMAR PATEL

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) Whether the Government have made it clear to the foreign investors that if they are interested in investment in India, it should be on long-term commitment basis;

(b) if so, the details thereof; and

(c) the reaction of the foreign investors thereto?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (DR. RAMAN SINGH)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO.488 FOR ANSWER ON 22-12-2000

(a) to (c): Foreign Direct Investment (FDI) is generally regarded as long term investment.To encourage FDI into India, Government has permitted access to the automatic route for FDI upto 100% for all items/activities, except for a small list.Inflow of FDI depends upon the commercial judgement of the investors and is guided by several factors like the economic and infrastructure conditions with in the country, policy regime governing investments and world economic trends.